

***United States Court of Appeals
for the Second Circuit***



APPELLEE'S BRIEF

75-7308

IN THE
United States Court of Appeals
FOR THE SECOND CIRCUIT

L. BATLIN & SON, INC.,

Plaintiff-Appellee,

—v.—

JEFFREY SNYDER, d/b/a J.S.N.Y. and
ETNA PRODUCTS CO., INC.,

Defendants-Appellants.

APPELLEE'S BRIEF

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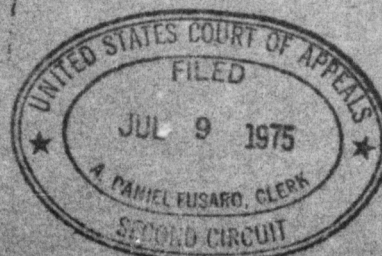




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UNITED STATES COURT OF APPEALS
For the Second Circuit

No. 75-7308

L. BATLIN & SON, INC.,	:	
	:	
Plaintiff-Appellee,	:	On Appeal From the Preliminary
	:	Injunction of the United States
v.	:	District Court for the
	:	Southern District of New York
JEFFREY SNYDER, d/b/a J.S.N.Y.,	:	
and ETNA PRODUCTS CO., INC.,	:	Honorable Charles M. Metzner,
	:	District Judge
Defendants-Appellants.	:	
	:	

APPELLEE'S BRIEF

STATEMENT OF THE CASE

Defendants-Appellants* so-called "Statement of the Case" and "The Facts" do not fairly and adequately present the necessary facts. Plaintiff therefore must present its own Statement of the Case.

*Defendants-Appellants will be hereinafter referred to as "Defendants" and Plaintiff-Appellee will be hereinafter referred to as "Plaintiff."

Nature of the Case

Plaintiff, L. Batlin & Son, Inc., brought this action against the defendants, Jeffrey Snyder and Etna Products Co., Inc., for a declaratory judgment declaring Snyder's copy-right invalid because the work purported to be covered by said registration was not originally created, designed or conceived by said defendant, having been in the public domain for almost one hundred years, because said defendant was not the author thereof, and further because said defendant failed to comply with the notice provisions of the Copyright Act. In addition, plaintiff seeks damages for the unfair competition of defendants in attempting to stop plaintiff from selling its version of the plastic Uncle Sam Mechanical Bank by threatening suit and recording their copyright with the Customs Service, and for restraint of trade under the Anti-Trust Laws by committing several unlawful acts [A-3 to 11].*

Because plaintiff was suffering irreparable damage, it obtained an Order to Show Cause for a Temporary Restraining Order and a Preliminary Injunction. The Temporary Restraining Order was granted, restraining defendants from enforcing their copyright and compelling cancellation of the recordation

*References to the Joint Appendix will be indicated as "[A-]".

thereof with the United States Customs Service. The Preliminary Injunction was granted after a full evidentiary hearing, which was requested by defendants, before the court below, which injunction in effect continued the restraints of the Temporary Restraining Order. It is from this grant of the Preliminary Injunction that defendants appeal.

Statement of Facts

The plaintiff, L. Batlin and Son, Inc., has been in business since 1929 and is engaged in the design, importing, and sale of such goods as toys, novelty items, housewares, porcelain, china and glass, which goods are advertised and sold throughout all of the United States. It has been selling various types of novelty savings banks for at least 20 years.

Early in 1974, it learned that there were on the market cast iron replicas of antique mechanical banks which were made in the United States. Thereafter, it was offered for sale cast iron mechanical banks made in Taiwan which were also replicas of the same antique mechanical banks, one of which was the bank known as the Uncle Sam Mechanical Bank [A-23]. On August 9, 1974, plaintiff placed its first order for a quantity of cast iron Uncle Sam Mechanical Banks [Exhibit 1, A-27]. On December 31, 1974, plaintiff's order was shipped

from Taiwan [Exhibits 4,5; A-30,31].

In the latter part of 1974, plaintiff became aware of the Uncle Sam Mechanical Bank made of plastic which, in the opinion of its president, was an almost identical copy of the bank made of cast iron which it was already selling [A-23]. Plaintiff's trading company in Hongkong procured a manufacturer and plaintiff placed an order for these plastic banks. The first samples of the plastic banks were received in the beginning of January, 1975 [A-32]. Plaintiff began to take orders for the plastic banks using its cast iron banks as samples and indicating to customers that it would be made in plastic, and orders based on the plastic samples received from Hong Kong were taken at the Housewares Show held in Chicago, January 10-15, 1975. As of May 1, 1975, plaintiff has received orders for over 5,000 dozen of these plastic Uncle Sam Mechanical Banks [A-24].

In March, 1975, plaintiff received 360 dozen plastic banks from Hong Kong, which were shipped out to its customers. In the beginning of April, 1975, plaintiff received 80 dozen plastic banks but was unable to ship the same since it was notified by the United States Customs Service that defendant, Jeffrey Snyder, had recorded with them a copyright that covered the

Uncle Sam Mechanical Bank. The Custom Service then advised plaintiff to return the 80 dozen banks to them [A-24].

On February 5, 1975, plaintiff received a letter from the defendants' attorneys indicating that defendant, Jeffrey Snyder, had copyrighted the bank and demanding that plaintiff stop the sale thereof. This letter was answered by plaintiff's counsel [A-13]. As there were 2,000 dozen plastic banks en route from Hong Kong, Plaintiff then sought the injunction against defendants, enjoining them from enforcing their copyright. In addition to the plastic Uncle Sam Mechanical Banks, the Customs Service was refusing entry to plaintiff's original cast iron banks by virtue of the recordation of defendants' copyright. There were also more cast iron banks on the water which would be held up in the same manner [A-24].

Furthermore, plaintiff has also been importing from Taiwan a cast iron bank in the form of an elephant. Plaintiff was advised that this elephant bank was available in plastic and plaintiff's president subsequently saw, and placed an order for, such bank. Thereafter, plaintiff saw and secured a plastic elephant bank upon which is inscribed the same copyright notice as appears on the defendants' plastic Uncle Sam Mechanical Bank. Because plaintiff feared being stopped on the sale of the plastic

replica of the elephant antique bank, it cancelled its orders [A-26].

After granting plaintiff's request for a Temporary Restraining Order, the court below, at the request of the defendants, held a full evidentiary hearing before deciding on whether or not to grant a preliminary injunction. For the purposes of the hearing, the only issue considered by the court below was the probability of plaintiff's success in proving copyright invalidity at a trial of the merits on the ground that defendants' work was an unoriginal, substantial copy of a work long since in the public domain. The other issues of invalidity due to improper copyright notice and authorship were never reached, the court below being satisfied that there was:

. . . little probability that defendants' copyright will be found valid in a trial on the merits [A-116]

on the ground of lack or originality.

At the evidentiary hearing, contrary to defendants' statement in its brief, plaintiff's expert did not testify that sculpting steps were necessary and that a trained artist and sculptor had to have spent considerable time in designing and sculpting Snyder's bank. What the expert said was that there was no degree of originality existing in defendants' bank over the

one in the public domain, that defendants' bank was only a mere copy, and that there was little change between the two [A-53 to 55]. Whatever changes were made were made to facilitate the production of defendants' bank; that is, any changes were utilitarian [A-56 to 57]. In summary, defendants' bank is a reproduction of the public domain bank with trivial variations, made as simple as possible for purposes of manufacture, the maker needing minimal skill, and no more than a direct copy with proportionate changes in size [A-57 to 58]. None of the trivial differences were unique or artistic or required any degree of originality [A-86].

ISSUE ON APPEAL

The sole issue before this Court is whether the lower court correctly found the necessary requirements present for the granting of a preliminary injunction based on the record before it.

ARGUMENT

The Court Below Found the Necessary Requirements Present for the Granting of a Preliminary Injunction.

A. The Requirements Necessary

The requirements for granting a preliminary injunction are quite different than those for a decision on the merits. It is

whether the court below correctly found the former present that this Court must decide, and not, as the defendants would have it, whether the latter were present. The purpose of a preliminary injunction is to maintain the status quo until a trial can be had on the merits. 7 Moore's Federal Practice, Section 65.04 [1] (2d ed., 1974). The status quo which is to be preserved was very succinctly defined by Justice Clark in Ideal Toy Corp. v. Sayco Doll Corp., 302 F.2d. 623 (CA2, 1962):

The 'status quo' to be preserved is one grounded on the court's estimation of the respective legal rights of the parties.

The requirements necessary to be found for the grant of a preliminary injunction were clearly stated by the Court in West Virginia Highlands Conservancy v. Island Creek Coal Co., 441 F.2d 232, 235 (CA4, 1971):

It is sufficient if the court is satisfied that there is a probable right and a probable danger and that the right may be defeated, unless the injunction is issued, and considerable weight is given to the need of protection to the plaintiff as contrasted with the probable injury to the defendant.

Hence, the usual test establishes three elements that must be satisfied in order to grant a preliminary injunction. First, the plaintiff must show a "probable right," i. e., a likelihood that plaintiff will prevail at the trial on the merits; second,

there must be a "probable danger . . . that the right may be defeated," which requires a showing of irreparable injury should the injunction not be granted; and, third, the need for protection of plaintiff's rights must clearly outweigh the possible injury to the defendants should the injunction issue, requiring a balancing of the equities between plaintiff and defendants.

7 Moore's Federal Practice, Section 65.04 [1] (2d. ed., 1974).

Nowhere in the proceedings below did defendants dispute plaintiff's showing of irreparable injury or that plaintiff's injury outweighed the possible injury to defendants. Therefore, as defendants agree, the court below had to find present only the remaining requirement, i. e., the probable right or the likelihood that plaintiff would prevail at the trial on the merits.

B. Plaintiff Is Likely to Prevail
At the Trial on the Merits

The court below did not have to, and this Court need not, make a finding of invalidity to properly grant an injunction. All that must be present is a likelihood that the plaintiff will succeed. Plaintiff submits that the lower court correctly found such likelihood present, in view of the record before it and from an application of the pertinent law.

Defendants have vacillated considerably with respect to

their claim that their bank represents a work or art under Class G or a reproduction of a work of art under Class H. In the lower court they seemed to abandon their claim to a work of art. Now, on appeal, they are raising such claim as an alternative.

1. On the Record Below, Defendants'
Bank Lacked the Creativity for
A Work of Art.

Defendants agree that there must be creativity present to warrant a copyright for a work of art. This requirement was examined in Gardenia Flowers, Inc. v. Joseph Markovits, Inc., 280 F.Supp.776 (SDNY, 1968), the court stating:

Creative authorship is required as a matter of definition in this class of works subject to copyright; without it there can be no work of art. See Nimmer on Copyright Sec.19.1 (1964). The requirement of creativeness is separate and distinct from authorship or originality. "Where creativity refers to the nature of the work itself, originality refers to the nature of the author's contribution to the work." Nimmer, supra, Sec. 19.2

The standard of determining that degree of creativity necessary to constitute a work of art is not high. But though the boundaries may be generous, there are nevertheless, limits beyond which courts cannot accord objects the status of works of art

That degree of creativity necessary to define objects as works of art is not supplied through innovations which are solely utilitarian or mechanical. 37 CFR Sec. 202.10 (a); Mazer v. Stein, 347 U.S. 201, 100 USPQ 325 (1954).

Thus, the fact that plaintiff may have been responsible for adding certain practical features to the component parts of the flower arrangements, which facilitated their assembly and eliminated the need for certain manufacturing operations, does not overcome the absence of creativity inherent in the arrangements. Likewise, plaintiff's decision to use plastic material for fabrication of the articles may have added certain utilitarian advantages, such as durability or color retention over natural or cloth materials, but this, too, does not constitute the creativity required for copyright purposes.

In the Gardenia case, the plaintiff did exactly what the defendants did here, namely, went to Italy, examined sample corsages previously manufactured by an Italian company, furnished them with other samples he had obtained from various sources and requested the company to supply him with samples of artificial corsages which he then copyrighted. The court found that none of the corsages involved in the suit were created by the skill, labor, or judgment of the plaintiff. The court further found that the plaintiff admitted that he did not create anything new, that he had seen similar arrangements of flowers before he left for Italy, and that he had seen the arrangements made with both natural and cloth components, and that his arrangements were "traditional flower arrangements for corsages." The court specifically found that adding certain practical

features to the component parts of the flower arrangements, which facilitated their assembly and eliminated the need for certain manufacturing operations, does not overcome the absence of creativity. Likewise, the plaintiff's decision to use plastic material for fabrication of the articles may have added certain utilitarian advantages but this, too, does not constitute the creativity required for copyright purposes.

The similarity between the facts in the Gardenia case and the case at bar, is so close as to be uncanny. The defendants here attempt to use the same arguments as the plaintiff in the Gardenia case, namely, that they added certain features in order to make it easier to manufacture and that they changed the medium from metal to plastic [A-38,40]. Likewise, here, there is a strong likelihood that after a trial on the merits, the court would find such lack of creativity and originality as to be fatal to defendants' copyright.

The defendants rely on Justice Holmes' oft quoted admonition in Bleistein v. Donaldson Lithographing Co., 188 U.S.239 (1903) concerning the danger if the courts would judge the worth of copyrighted works. However, placed in the perspective of the facts in that case, and the facts at bar, such admonition becomes totally irrelevant. The ultimate statutory question in Bleistein

was simply whether commercial advertising posters were within the statutory word "illustrations" in the phrase, in Revised Statutes Sec. 4952, "pictorial illustrations or works connected with the fine arts." But even applying Justice Holmes' admonition to the case at bar, it is clear that the court below had before it a designer and modeler as expert and the court questioned him very closely [A-55 to 58]. The court below had before it both the example of the antique Uncle Sam mechanical bank and defendants' copy. The expert testified, inter alia, that defendants' bank was merely a copy of the antique bank [A-54], that the trivial changes between the two were made because it facilitated manufacture [A-56], the changes were utilitarian [A-57], defendants' bank was merely an aggregation of known components, a trivial variation, made as simple as possible for manufacturing purposes [A-57], and merely the result of proportionate changes in the original antique, lacking any artistic contribution [A-58].

It was with the above testimony before it that the court below found little probability that defendants' copyright will be found valid in a trial on the merits. And the issue before this Court is whether such finding, in view of the record before it, was an abuse of the discretion of the court below in granting a preliminary injunction. It is submitted that it was not.

2. On the Record Below,
Defendants' Bank Lacked the
Originality Necessary for a
Reproduction of a Work of Art

As indicated in the opinion of the court below [A-116], the defendants admit that to support a valid copyright as a reproduction of a work of art, there must be evidence of originality. The court below was well aware of the leading decision of this Court that defined originality. Indeed, it quoted the following statement from Alfred Bell & Co. v. Catalda Fine Arts, 191 F.2d 99 (CA 2, 1951):

"'Original' in reference to a copyrighted work means that the particular work 'owes its origin' to the 'author.' No large measure of novelty is necessary All that is needed to satisfy both the Constitution and the statute is that the 'author' contributed something more than a merely trivial' variation, something recog- nizably 'his own.' Originality in this context 'means little more than a prohibition of actual copying.' No matter how poor artistically the 'author's' addition, it is enough if it be his own." (Emphasis added.) [A-116-7]

And then it applied the test of that case to the facts before it, and concluded that although some degree of physical skill was necessary to produce defendants' bank, in order for it to be original, this skill must contribute to the work and be more than a "merely trivial variation" which is all that is present here.

The defendants' heavy reliance upon Alva Studios, Inc. v. Winninger, 177 F.Supp., 265 (SDNY, 1959), is totally misplaced. There, the court agreed with the plaintiff that the sculpture involved was one of the most intricate pieces ever created. Innumerable planes, lines, and geometrical patterns were interdependent in that multi-dimensional work. In reduction, they had to be carried over with supreme exactness into smaller scale. It required an extremely skilled sculptor, working long hours in front of the original. Had there been a small discrepancy in any part of the work, the over-all appearance would have been altered. To say such skill and exactness is required for the defendants' reproduction, is ludicrous. However, even if such decision were pertinent, the court below made an astute observation:

Interestingly enough, defendants went to great pains on the hearing to prove that there were substantial differences between the iron and the plastic articles. [A-118]

The presence of such differences would, of course, alone distinguish the facts at bar from those in the Alva case.

In Gardenia Flowers, Inc. v. Joseph Markovits, Inc., supra, the court further found, after finding no creativity, that the works involved in that case were also lacking in originality, stating:

. . .it is elementary that no work is entitled to copyright protection unless it is "*** original, i.e. that the author has created it by his own skill, labor, and judgment."
[citation omitted]

"The 'originality' requirement for copyrightability is not onerous." Peter Pan Fabrics, Inc. v. Acadia Company, 173 F.Supp. 292, 299, 121 USPQ 81, 86 (S.D.N.Y. 1956), aff'd, 274 F. 2d 487, 124 USPQ 154 (2nd Cir. 1960). Indeed, it has been held that: "*** practically anything novel can be copyrighted. *** 'No matter how poor artistically the 'author's' addition, it is enough if it be his own.' ***" Dan Kasoff, Inc. v. Novelty Jewelry Co., 309 F.2d 745, 746, 135 USPQ 234 (2nd Cir.1962). Moreover, it has been said that "[o]riginality in this context 'means little more than a prohibition of actual copying.'" Rushton v. Vitale, 218 F.2d 434,435,104 USPQ 158, 159 (2nd Cir. 1955).

As with the question of creativity, though, the fact that only minimal standards need be applied does not prevent the court from concluding as a matter of fact that works may lack even the modicum of originality required. When the copyright claimant has added nothing of his own to a work, then copyright protection must be denied. See Nimmer, supra, Sec. 19.2.

Much the same reasoning which led this court to the determination that plaintiff's corsages were devoid of creativity applies with equal force to its claim of originality. Applying the standard in Sieff v. Continental Auto Supply, 39 F Supp. 683,688 50 USPQ 19, 22-23 (D.Minn.1941), that "*** sameness or similarity is determined by the eye of the ordinary observer," it cannot be said that plaintiff's works represent anything new.

Similarly, in the case at bar, it cannot be said that defendant's bank represents anything new.

3. On the Record Below, Defendants'
Bank Was a Mere Trivial Variation
Of the Antique Bank and Hence Not
Copyrightable

A recent case involving the question of copyrightability of a work based on a work already in the public domain is Donald v. Uarco Business Forms, 478 F.2d 764 (CA8, 1973). After citing Alfred Bell & Co. v. Catalda Fine Arts, supra for the test of originality and creativity necessary to support copyrightability, the court went on to state:

Where a work is based on a work already in the public domain, a valid copyright may not exist in the new work unless it shows more than a trivial variation from the old work. Amsterdam v. Triangle Publications, Inc., 189 F.2d 184, 89 USPQ 468 (3rd Cir. 1951). However, if a work is independently created, it is entitled to a copyright even though it is identical to a work in the public domain. Alfred Bell & Co. v. Catalda Fine Arts, supra at 103; 90 USPQ at 157; Fred Fisher, Inc. v. Dillingham, 298 F.145, 149 (S.D.N.Y.1924).

We have carefully reviewed the transcript of the trial and the records of the lower court, and find that the appellant had knowledge of, and drew upon, legal forms which already existed in the public domain when he drafted his form. Most of the form is phrased in standard legal language. The appellant's testimony leads us to the conclusion that he had seen similar language many times before.

The basic issue is whether the appellant's form shows the minimum degree of creativity and originality necessary to support a valid copyright. The appellant argues that he is entitled to a copyright because this is the first time such language has been used in a service contract even though the language has previously been used in

sales contracts which were already existing in the public domain. We do not believe that this difference makes the appellant's work more than a trivial variation from that already in the public domain. Therefore, the appellant is not entitled to a copyright on his "Agreement."
[cases cited, including *Gardenia Flowers, Inc. v. Joseph Markovits, Inc.*, supra.]

Similarly, the differences between defendants' bank and the antique bank in the public domain do not make defendants' bank anything more than a trivial variation from that already in the public domain, and defendants are not entitled to a copyright on their bank.

This proposition, set forth in the case above, is not new. The United States Supreme Court, over sixty years ago, recognized that a work that was substantially identical to an earlier work is not entitled to copyright protection.

Ferris v. Frohman, 223 US 429 (1911) involved an adaptation of a play which "differed from the original in various details, but not in its essential features." The adaptation was copyrighted. The complainants owned the original play and sought to enjoin the adaptation. The owner of the adaptation claimed the copyright gave him the rights to the adaptation. The court held:

. . . the play of the plaintiff in error, which was substantially identical with that of the complainants, was simply a piratical composition. It was not the purpose or effect of the copyright

law to render secure the fruits of piracy, and the plaintiff in error is not entitled to the protection of the statute. In other words, the claim of Federal right upon which he relies is without merit.

The same result would occur in the case at bar, if the antique bank was a new work by another party. Defendants' bank would be nothing more than a piratical copy.

As the court below correctly observed in its opinion in Etna Products Co., Inc., et al. v. E. Mishan & Sons [A-122, 126-7], if defendants' trivial changes entitled them to a copyright, every copyright of a work of art would be meaningless. Anyone could produce the copyrighted work by making the changes defendants' claim entitle them to copyright protection.

Another case heavily relied upon by defendants to support their untenable position in Doran v. Sunset House Distributing Corp., 197 F.Supp. 940 (S.D.Cal., 1961), aff'd 304 F. 2d 251 (CA 9, 1962). However, the court below deftly fielded this argument, stating at p. A-126:

In that case, however, the author used a completely new concept. The fact that plastic was used was not controlling. It was that the medium was used to express "the idea of Santa Claus." Id. at 944 (emphasis added). That idea was original, and therefore the copyright was valid. There is no original idea here.

A careful reading of the myriad of other cases cited by the defendants find them likewise distinguishable from the facts at bar.

CONCLUSION

There is no dispute that the basic requirement for copyrightability is that the author of the work add some input which is recognizably his own, which is more than merely trivial and which is a mark of his originality and, in the case of a work of art, creativity. The court below correctly found this to be a question of fact to be determined at the trial. However, the court also found that on the record before it, the likelihood that defendants could show any such input was small, and therefore granted plaintiff a preliminary injunction preventing defendants from enforcing their copyright. This was a proper exercise of its discretion and, accordingly, this Court should affirm the judgment below.

Respectfully submitted,

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Two (2) Service of three copies of the within Appellee's Brief
is admitted this 9th day of July 1975

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